

Plans Administrator 11
ABC Company
8515 E. Orchard Rd
Greenwood Village, CO 80111

August 26, 2004

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Plans Administrator
8515 E. Orchard Rd
Greenwood Village, CO 80111

Re: ABC Company 401(k) Plan
Policy Number: 1200000-01
Plan Year Ending: December 31, 2004

Dear Plans Administrator:

We have recently completed the year-end testing for the ABC Company 401(k) Plan to ensure it complies with the applicable IRS regulations. The test results for the plan year ended December 31, 2004, are as follows:

• IRC §401(k) Actual Deferral Percentage	Fail
• IRC §401(m) Actual Contribution Percentage	Fail
• IRC §402(g) Limitation of Elective Deferrals	Pass
• IRC §410(b) Minimum Coverage	Pass
• IRC §415(c) Maximum Annual Additions	Pass
• IRC §416 Top Heavy Plan Determination (upcoming year)	Pass

We have provided the details of the Employee Census, HCE\KEY report, ADP and ACP tests for your review. Detailed reports of the other tests that were performed for your plan are available to you by contacting Plan Support. For a more comprehensive explanation of each of these tests, please refer to the file, *Explanation of Compliance Testing*. This explains many different tests, which can be performed; however, the only tests applicable to your plan are the ones noted above.

Your plan failed the following test(s) with the associated corrective amounts:

• IRC §401(k) Actual Deferral Percentage	\$3,586.00
• IRC §401(m) Actual Contribution Percentage	\$59.00

Please review the related section in the *How to Correct Testing Failures* file. This form provides detailed explanations of each type of testing failure, along with the applicable report names and correction options.

The testing performed is only for the ABC Company 401(k) Plan, Group Account 1200000-01. If a controlled group or affiliated service group exists and we were not made aware of this information, the testing does not incorporate such circumstances and the results are applicable only to the plan listed above.

If you have any questions regarding this letter or the attachments, please contact our Plan Support Center, where a plan service representative will be available to assist you.

Sincerely,

Compliance Services

Enclosures